

SUPP. VOL. G.

REPORT OF THE CANADIAN ROYAL COMMISSION ON SOVIET ESPIONAGE IN CANADA.

DATED, JUNE 27th 1946.



PF 603,469		PAGE
Section III	6. Kathleen Willsher . . . . .	227
Continued		
PF 123-083	7. M. S. Nightingale . . . . .	261
PF 603,605	8. David Shugar . . . . .	281
PF 123-077	9. H. S. Gerson . . . . .	319
PF 123-075	10. Samuel Sol Burman . . . . .	355
PF 123-074	11. Raymond Boyer . . . . .	375
PF 123-073	12. J. S. Benning . . . . .	411
PF 66945	13. Allan Nunn May . . . . .	447
PF 603,600	14. Agatha Chapman . . . . .	459
PF 603,489	15. Freda Linton . . . . .	481
PF 123-087	16. Emma Woikin . . . . .	495

#### Section IV The Cases of Other Individuals

PF 66951	1. Norman Veall . . . . .	505
	2. "Surenson" . . . . .	527
	3. Jack Isadore Gottheil . . . . .	533

#### Section V The False Passport . . . . . 541

Sam Carr

John Soboloff, M.D.

Henry Harris

W. M. Pappin

PF 603,477	Section VI	Germina Rabinowitch . . . . .	565
------------	------------	-------------------------------	-----

#### Section VII Evaluation of Information and Material Handed Over 615

Section VIII	Arrangements made by the Canadian Department of National Defence for Supplying Information Officially to the Soviet Military Attaché . . . . .	621
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	PAGE
Section IX Authenticity and Accuracy of the Russian Documents . . . . .	627
Section X <sup>PF 66460</sup> Igor Gouzenko . . . . .	637
Section XI Law and Procedure . . . . .	649
1. P.C. 6444	
2. P.C. 411	
3. Evidence	
4. Status of the Commission	
Section XII Summary of Findings . . . . .	685
Section XIII Recommendations . . . . .	689
Section XIV Conclusion . . . . .	691
Appendix A 1st Interim Report—March 2, 1946 . . . . .	693
" B 2nd Interim Report—March 15, 1946 . . . . .	697
" C 3rd Interim Report—March 29, 1946 . . . . .	705
" D . . . . .	714
" E . . . . .	716
" F . . . . .	718
" G . . . . .	720
" H . . . . .	726
" I . . . . .	729
" J Alphabetical Key to Cover Names . . . . .	731



## SECTION I INTRODUCTORY

Your Excellency:—

Re: Order in Council P.C. 411

### SECTION I

The above mentioned Order in Council is dated the fifth day of February, 1945, and reads as follows:—

#### TEXT OF ORDER IN COUNCIL, P.C. 411 OF FEBRUARY 5, 1946, ESTABLISHING THE ROYAL COMMISSION P.C. 411

*Certified to be a true copy of a Minute of a Meeting of the Committee of the Privy Council, approved by His Excellency the Governor General on the 5th February, 1946.*

The Committee of the Privy Council have had before them a report dated 5th February, 1946, from the Right Honourable W. L. Mackenzie King, the Prime Minister, representing:—

That it has been ascertained that secret and confidential information has been communicated directly or indirectly by public officials and other persons in positions of trust to the agents of a Foreign Power to the prejudice of the safety and interests of Canada;

That by Order in Council P.C. 6444 dated the 6th day of October, 1945, the Acting Prime Minister and the Minister of Justice were authorized to make an Order that any such person be interrogated and/or detained in such place and under such conditions as the Minister might from time to time determine if the Minister were satisfied that it was necessary so to do;

That it now seems expedient in the public interest that a full and complete inquiry be made into all the facts relating to and the circumstances surrounding the communication by such public officials and other persons in positions of trust of such secret and confidential information to the agents of a Foreign Power.

The Committee, therefore, on the recommendation of the Prime Minister, advise that the Honourable Robert Taschereau, a Judge of the Supreme Court of Canada, and the Honourable R. L. Kellock, a Judge of the Supreme Court of Canada, be appointed Commissioners under Part I of the Inquiries Act, Chapter 99, Revised Statutes of Canada, 1927, and any other law thereto enabling, to inquire into and report upon which public officials and other persons in positions of trust or otherwise have communicated, directly or indirectly, secret and confidential information, the disclosure of which might be inimical to the safety and interests of Canada, to the agents of a Foreign Power and the facts relating to and the circumstances surrounding such communication.

The Committee further advise:—

1. That for all such purposes and all purposes properly incidental thereto the said Commissioners shall without limiting the powers conferred upon them by the said Part I of the said Inquiries Act, have and possess the power of summoning and that



they be empowered to summon before them any person or witness and of requiring them to give evidence on oath or affirmation, orally or in writing, and of requiring them to produce such documents and things as the Commissioners deem requisite to the full investigation of matters into which they are appointed to examine;

2. That the said Commissioners be directed that a record shall be made of all the evidence which shall be given or produced before them as to the matters of the said inquiry and that the oral evidence of witnesses before the said Commissioners shall be taken in shorthand by a shorthand writer, approved and sworn by the said Commissioners or one of them and shall be taken down question and answer and it shall not be necessary for the evidence or deposition of any witness to be read over to or signed by the person examined and said evidence shall be certified by the person or persons taking the same as correct;

3. That the said Commissioners may adopt such procedure and method as they may deem expedient for the conduct of such inquiry and may alter or change the same from time to time;

4. That the said Commissioners be empowered in their discretion from time to time to make interim reports to the Governor in Council on any matter which in their judgment is the proper subject of such a report together with the evidence then before them and their findings thereon;

5. That the said Commissioners be authorized to engage the services of such counsel and of such technical officers, and experts, and other experienced clerks, reporters and assistants as they may deem necessary and advisable; and

6. That all the privileges, immunities and powers given by Order in Council P.C. 1639, passed on the 2nd March, 1942, shall apply.

(Sgd.) A. D. P. HEENEY,  
*Clerk of the Privy Council.*

Order in Council P.C. 6444 referred to in the above is set out in full in Section XI of this Report. Order in Council P.C. 1639, also referred to in Order in Council P.C. 411, is as follows:—

P.C. 1639

#### AT THE GOVERNMENT HOUSE AT OTTAWA

Monday, the 2nd day of March, 1942.

HIS EXCELLENCY

#### THE GOVERNOR GENERAL IN COUNCIL:

Whereas the Prime Minister reports that, in his opinion, it is desirable that a Commissioner conducting any inquiry under the Inquiries Act, R.S.C. 1927, Ch. 99, involving investigation into any matter concerning the armed forces of Canada should have certain immunities and powers;

Now, therefore, His Excellency the Governor General in Council, on the recommendation of the Rt. Hon. W. L. Mackenzie King, the Prime Minister, and under and by virtue of the powers vested in the Governor in Council by the War Measures Act, Ch. 206 of the Revised Statutes of Canada, 1927, is pleased to order and doth hereby order that, where under any order of the Governor in Council heretofore or hereafter made, a Commissioner is appointed under the Inquiries Act, Ch. 99 of the Revised Statutes of Canada, 1927, to inquire into any matter concerning the armed forces of Canada, such Commissioner shall have all the immunities enjoyed by any



Judge of any Superior Court in Canada while exercising his judicial functions, and that any and all powers and authority of any such Judge relating to any contempt of Court, whether committed in the face of the Court or elsewhere, shall be vested in such Commissioner in respect of such inquiry; and in particular, but without limiting the generality of the foregoing, that such Commissioner shall have all the powers, jurisdiction and authority of any such Judge for the purpose of enforcing any order made by him concerning any inquiry held in camera in order to safeguard the secrecy thereof.

(Sgd.) A. D. P. HEENEY,  
Clerk of the Privy Council.

Certified copies of Order in Council P.C. 411 were handed to us on the sixth day of February, 1946, and we at once took steps to proceed with the Inquiry with which we were charged.

Pursuant to the powers given to us by *The Inquiries Act*, R.S.C. 1927 c.99 we appointed as our Counsel Mr. E. K. Williams, K.C., Mr. Gerald Fauteux, K.C., and Mr. D. W. Mundell.

We appointed Mr. W. K. Campbell, as Clerk to the Commission and later Mr. J. H. Pepper as Assistant Clerk.

We also appointed the necessary shorthand reporters and typists.

Before commencing our sittings we perused and studied the original documents brought by Igor Gouzenko from the Russian Embassy, his written statement, and various memoranda of the evidence which he would be able to give.

We commenced hearing evidence on the 13th day of February, 1946, and from then to the 18th of April sat continuously each week day with a very few exceptions. From then on we continued to take evidence as witnesses were available and we held our last sittings to hear witnesses on the 27th day of June, 1946.

The procedure that we followed is set out in some detail in Section XI of this Report. We may add that we have heard some 116 witnesses, many of whom had to be recalled more than once, have studied about 1000 Exhibits filed before us, and the evidence taken runs to over 6000 pages.

We have made three Interim Reports dated respectively the 2nd, 14th and 29th days of March, 1946, attached hereto as Appendices A, B and C respectively and now have the honour to submit our Final Report.

We are including in this Report as Appendices D, E, F, G, H and I reproductions of certain of the documents put before us by Gouzenko so that those reading the Report will know what the originals looked like.

We are also handing you with this Report a complete transcript of all the evidence taken by us and the originals, or copies, of all the Exhibits



filed with us. Some of the original Exhibits are not available for transmission because they are in use in various Courts. Others have been returned to the various Departments from which they were brought. In all such cases reproductions have been made.

Many of the Exhibits accompanying this Report are original files which eventually will be required by the respective Government Departments from which they came. We suggest that as these are asked for, they be delivered to the proper custodians, photographs being substituted where that is considered advisable, and that the Departments be directed to retain and preserve the originals.

We feel we should say something here about the translations of the various documents written in Russian. We are advised that even in ordinary cases translation from Russian into English presents a difficult problem. The documents which were placed before us presented greater difficulties. Some of them were not well written, some of them were obviously translations from English into Russian, abbreviations of Russian words were used which were difficult to identify, words were missing or struck out or blurred and the writers of some of the documents often expressed the titles of Canadian officers or ranks and other terms in what they believed to be the Russian equivalents. At the commencement of the Inquiry translations were placed before us; these were gone over with Gouzenko, who suggested certain changes, and as the Inquiry proceeded we arranged to have complete new translations made by two other translators acting jointly. They have made very few changes in substance, none of which affect any of the Interim Reports, and we are using these new translations in this Report.

All translations have been literal. The important difference is that new translations include, suitably distinguished by asterisks and footnotes, certain words and passages which appeared in Russian on the original but had been struck out by the author. Occasionally these words and passages are significant. For example, there are instances where a real name was noted but then struck out and a cover-name substituted. This Report shows the document with these words and passages included, but clearly distinguished from the remainder. However, the examination of some of the witnesses quote parts of the earlier translations, and thus these latter appear in certain excerpts from the transcription which are set out in this Report. There are in no cases differences of substance.



## SECTION II

## THE GENERAL PATTERN

## 1. INTRODUCTORY

**Igor Gouzenko**

It was Igor Gouzenko who revealed the existence in Canada of a widespread conspiracy to obtain secret official information.

Gouzenko, who had been sent to Canada in June, 1943, with the official title of "civilian employee" of the Soviet Embassy at Ottawa, was the cipher clerk on the staff of the Military Attaché, Colonel Zabotin.

On the night of September 5th, 1945, Gouzenko left the Embassy with a certain number of documents from his own office, including telegrams sent to Moscow, others received from Moscow, which he had enciphered and deciphered, as well as other documents made either by Russian officials of the Embassy or by other persons living in Canada. After having gone through the experiences detailed in Section X of this Report, Gouzenko eventually told his story to the R.C.M.P., who reported to the Canadian Government.

He has undoubtedly been a most informative witness and has revealed to us the existence of a conspiratorial organization operating in Canada and other countries. He has not only told us the names and cover names of the organizers, the names of many of the Canadians who were caught "*in the net*" (to employ the phrase used by the documents) and who acted here as agents, but he has also exposed much of the set-up of the organization as well as its aims and methods here and abroad.

There can be no doubt in our minds that these attempts, very often successful, to obtain here secret and confidential information cannot be qualified as casual or isolated. They are not merely the acts of over-zealous Soviet employees anxious to inform their own Government. The set-up of this organization in Canada is the result of a long preparation by trained and experienced men, who have come here for the express purpose of carrying on spying activities, and who have employed all the resources at their disposal, with or without corruption, to fulfill the tasks assigned to them.

Some of these men have undoubtedly been well-schooled in espionage and Fifth Column organizational methods, and in political and psychological "development" techniques.



Gouzenko himself came to Ottawa only after he had been through the training that his superiors thought essential for the work he was chosen to perform. At 16 he was a member of the *Komsomol* or "Young Communist League", which is a youth movement controlled by, and preparatory to membership in, the Communist Party. He was instructed first in coding and decoding in a secret school after having been investigated by the N.K.V.D., which is the official secret political police of the Soviet Union, and it was only after five months of such investigation that he was given access to secret cipher work. He was later transferred to the Main Intelligence Division of the Red Army in Moscow, where he spent one year. During that year he saw, in the course of his work, a large number of telegrams to and from many countries, detailing operations there similar to those which he has disclosed in Canada. Finally, after further investigation, Gouzenko was sent to Canada.

### Secrecy

Gouzenko has described to us the extreme secrecy in which the espionage operations were conducted here. He lived with his family at 511 Somerset Street, Ottawa, but he had his own office in the secret cipher department which is located on the second floor at the Embassy, No. 285 Charlotte Street. He worked in room 12, one of the eight rooms on the second floor of a wing of the building, the entrance of which is closed by a double steel door, and the windows of which have iron bars and steel shutters which are closed at night for the purpose of complete secrecy. In this room is a steel safe which contains many of the important documents of the Military Intelligence. The cipher books which Gouzenko used to encipher and decipher telegrams, were kept in a sealed bag which was handed every night to one Aleksashkin and in the same bag were also placed the telegrams that came from Moscow and the telegrams sent to Moscow. In the safe were kept the agents' records, Colonel Zabolotin's secret diary, and other documents of the Military Intelligence Service. From time to time, some of these documents were destroyed in an incinerator located in room 14.

In rooms of this secret wing the cipher clerks of the various branches of the Soviet Mission in Ottawa were located. They numbered five in all:— The N.K.V.D., the Embassy proper, the Political Section, the Commercial Section, and the Military. The N.K.V.D. Section sent its messages to the N.K.V.D. Headquarters in Moscow; the Embassy, the messages of the Ambassador and his staff to the Commissariat for Foreign Affairs; the Political Section, which was under Goussarov, communicated directly with the Central Committee of the Communist Party of the Soviet Union; the



Ref. 150,058.

Commercial Section headed by the Commercial Counselor [Krotov] sent its messages to the Commissariat for Foreign Trade, and the Military Section, headed by Colonel Zabolotn, the Military Attaché in Ottawa, communicated with the Director of Military Intelligence in Moscow.

All these cipher clerks operated independently and each one used a different cipher which was unknown to the others.

This extreme secrecy with which the acts of the espionage branches of the Mission were clothed, at the Embassy, was also exercised with great care by the Russians in their relations with their agents, and by the agents themselves in their mutual contacts. "After reading, burn" were standard instructions on written assignments of tasks given by Colonel Zabolotn and his associates to the agents. The meetings of agents at night on street corners and in automobiles, and the use of "cover names" and "go-betweens", indicate the secrecy with which the operations were conducted.

"Cover-names" were used by the Russian leaders of the espionage system not only for themselves, their Russian assistants, and their agents, but also to refer to places, organizations, and things. Thus Canada was sometimes referred to as *Lesotia*, the Soviet Embassy as *metro*, the NKVD, or Russian secret political police, as *The Neighbour*, passports as *shoes*, the Communist Party of Canada or other countries except the USSR, as *The Corporation* and its members as *corporants* or *corporators*, any hiding place as a *dubok*, a legal "front" for illegal activities as a *roof*, and the military espionage organization itself as *Gisel*.

Colonel Zabolotn's cover name was "Grant". The cover names of the most important Russian members of his espionage staff are listed, with the respective real names, on page 16. The cover-names and real names of Zabolotn's other agents, who have been identified, are listed on page 85. Appendix J is an alphabetical key to cover-names appearing in this Report.

The funds needed by Colonel Zabolotn to finance his operations were sent to him from Moscow and the following telegram sent by him to Moscow makes it clear how important it was considered that the transmission of this money should be concealed.—

247

To the Director:

Although you are sending us operational sums of money through metro, we nevertheless have to get them through the bank. In this way the purpose of secrecy is defeated. Could you send us Canadian dollars



by mail? This would ensure full secrecy for the operational sums. At present the sums sent by you would not attract attention as we are carrying out repairs, are buying a car and there are people coming etc. In the future this will be noticeable.

Grant

11.9.45

In other words, it was considered that the sums being spent for Colonel Zabotin's purposes, would not attract attention so long as legitimate heavy expenditures were being made, but might become noticeable by reason of their size after the legitimate heavy expenditures had ceased.

In various written instructions to agents we find the following:—

" . . . I beg you to instruct each man separately about conspiracy in our work. . . . "

" . . . All the materials and documents to be passed by Bagley, Bacon and Badeau have to be signed by their nicknames as stated above. . . . "

" . . . Any meeting with Bacon, Badeau, Bagley must not take place indoors, but on the street and, moreover, separately with each one and once a month. . . . "

" . . . The materials from them must be received the same day on which you must meet me in the evening. The materials must not be kept with you even for a single night. . . . "

" . . . Their wives must not know that you work with and meet their husbands. . . . "

" . . . Warn them to be careful. . . . "

Gouzenko has also revealed to us, that in Colonel Zabotin's house, 14 Range Road, Ottawa, complete photographic equipment was installed for the purpose of photographing documents for Moscow.

When Gouzenko came to Canada in June, 1947, he arrived with Colonel Zabotin who had the official title of 'Military Attache'. With them was Major Romanov, Zabotin's secretary. Zabotin did not come here to inaugurate a system of espionage, but to continue and amplify the work of his predecessors.

As early as 1924, there was an organization at work in Canada directed from Russia and operating with Communist sympathizers in Canada. Two of the most active persons in this organization were Fred Rose, born Rosenberg, in Lublin, Poland, and Sam Carr, born Kogen or Cohen in Tomachpol, Russian Ukraine. Sam Carr, speaking Russian perfectly, went to Russia



While in Russia he took a course at the "Lenin Institute" where the matters taught included political subjects, and also such practical subjects such as the organization of political movements, fomentation or extension or prolongation of strikes for ulterior purposes, sabotage methods, espionage, and barricade fighting. The students received a very good education as "agents conspirators".

### Early Stage of the Military Intelligence Network

(Sokolov, Koudriavtzev, Zabotin)

Major Sokolov, on his arrival in Ottawa in 1942, began to reform the previous organization, and was directed by "Moher", who has been identified as one Mikhailov, an official of the Soviet Consulate in New York who came to Canada for that purpose. Major Sokolov, whose cover-name was "Davie", came to Canada before the opening of a Soviet diplomatic mission here, ostensibly as a Soviet inspector to work in Canadian factories in connection with the Canadian Mutual Aid Program to the USSR.

So far as the evidence discloses, the first head of the Military Intelligence espionage system in Canada after the arrival of the Soviet Minister was Sergei N. Koudriavtzev, whose official title was First Secretary of the Legation (later Embassy). From the time of the latter's arrival until Zabotin came as Military Attache, Sokolov reported to and took his instructions from Koudriavtzev. In June, 1943, the latter handed over Sokolov and the espionage organization to Zabotin.

The basic facts relating to Sokolov's group are set out in notes made by Colonel Zabotin himself when he took over Sokolov's organization in June, 1943. The information which Zabotin obtained from Sokolov was noted by the former in his own handwriting in his private notebook and these notes were obviously added to from time to time. The pages which relate to Sokolov's organization were torn out by Zabotin himself from his notebook, and were given by him to Gouzenko to destroy by burning in the incinerator.

These notes reveal that Sokolov's organization was as follows —

1. *Fred or Debouz*, (Fred Rose) under whom worked:

(a) *Gray* (H. S. Gerson)

PF 70958 (b) *[Green]* (unidentified)

(c) *The Professor* (Raymond Boyer)

Rose's contacts were:

1. *Freda* (Freda Linton)

2. *Galya* (unidentified)



2. An auxiliary group
  - (a) *Gini* (unidentified)
  - (b) *Golia* (unidentified)
3. The second group (Ottawa-Toronto).
  - (a) *Sam* or *Frank* (Sam Carr)
  - (b) *Foster* (J. S. Benning)
  - (c) *Ernst* (Eric Adams)
  - (d) *Polland* (F. W. Poland)
  - (e) *Surensen* (unidentified)
4. Russian "go-betweens":
  - (a) Mrs. Sokolov (contact between Sokolov and Koudriavtzev, presumably necessary because Sokolov was at that time living in Montreal)
  - (b) *Martin* (Zheveinov)
  - (c) *The Economist* (Krotov)

When Colonel Zabolin arrived in Ottawa, he immediately began to expand this organization, a process that continued until his departure in December, 1945, for a visit to Moscow from which he does not appear to have returned.

He directed the operations from his residence at 14 Range Road, Ottawa, and he had under him for espionage purposes a considerable Russian staff, which increased steadily, and included the following:

NAME	OFFICIAL POSITION	COVER-NAME
Lt.-Col. Motinov	Assistant Military Attaché.	<i>Lamont</i>
Major Rogov	Assistant Military Attaché, Air.	<i>Brent</i>
[Krotov]	Commercial Counsellor	<i>The Economist</i> ] PF 150, DS 8
Major Sokolov	Staff of Commercial Counsellor.	<i>Davie</i>
Sergei Koudriavtzev	First Secretary of Embassy.	<i>Leon</i>
Lt. Angelov	Staff of Military Attaché.	<i>Baxter</i>
Zheveinov	TASS correspondent	<i>Martin</i>
Major Romanov	Secretary of Military Attaché.	_____
[Lt. Levin]	Interpreter	<i>Runy</i>
[Captain Gorkan]	A door guard.	_____
[Lt. Goussiev]	A door-guard.	<i>Henry</i>
[Lt. Lavrentiev]	A chauffeur.	_____
Captain Gourshkov	A chauffeur.	<i>Chester</i>
Igor Gouzenko	Cipher Clerk.	<i>Klark</i>



This organization, being the one for which Gouzenko was the cipher clerk, is the only one of the espionage systems which we have been able to investigate in detail, because it was in that branch of the Embassy only that Gouzenko had access to the documents.



## SECTION II. 2

## PARALLEL UNDER-COVER SYSTEMS

It seems, however, that several parallel under-cover systems, or networks, existed in Canada under the direction of members of the Soviet Embassy but independent and distinct from Zabolotin's (Red Army Intelligence) organization, and that these parallel systems, had and may still have their own under-cover agents operating in Canada.

This method of maintaining several distinct networks has obvious advantages from a security point of view for those operating them, as no one person, even among the directing Soviet personnel, would know the names of the Canadians acting as agents in more than one of the networks. Correspondingly, investigation by the Canadian authorities is rendered more difficult.

Gouzenko told us:—

"... They (the Soviet Government) were trying to establish a Fifth Column in Canada. What transpired is only a modest or small part of all that is really here. You may have discovered fifteen men but it still leaves in Canada this dangerous situation because there are other societies and other people working under every Embassy, under every Consal in each place where there is a Consulate. It is just like a number of small circles. There are parallel systems of spies or potential agents... The last telegram asked about the mobilization of resources in Canada. They wanted to know everything possible about everything concerned in Canada. They wanted to know the natural resources that Canada could mobilize in case of war, her coal, oil, rare metals and so on."

Gouzenko testified that there was a five-man committee in Moscow which passes on Soviet officials who are being sent to foreign countries. This committee consists of representatives of the NKVD, the Military Intelligence, the Naval Service, the Commercial Service and the Diplomatic Service. Gouzenko said:—

"... and each of them send their own men and they try to put on more of their own men. Intelligence tries to put more of their own men, Commercial Service tries to put more than the Diplomatic, and so on with the other representatives."

We have endeavoured to obtain from Gouzenko all the information he could give us about the "various circles" or "Parallel systems". He has



expressed the opinion that the records he placed before us give the names or cover names of all the persons in Zaborin's organization. This is the one organization with which he is personally familiar. But from the work he was doing and what he saw and heard in the course of his work he was able to give us certain other information and at our request he also told us what he deduced from these facts in the light of his own training in Soviet methods.

### **The Parallel Military System**

Gouzenko said:—

"Then according to conversations between Sokolov and Zaborin I think they suspected that there existed a parallel military intelligence system, parallel to Zaborin's. The same thing was true in the United States, according to a telegram I saw. The chief of the Technical Bureau is head of one parallel system, military intelligence has another system."

This system was apparently also directed by the Red Army Intelligence Headquarters in Moscow, but not through Col Zaborin. Gouzenko testified that it was only, as it were, by accident that Zaborin learned of its existence in Canada, although Zaborin and his immediate colleagues had always been quite aware of the existence of some of the other parallel networks operating in Canada including that of the NKVD directed by Pavlov (A Second Secretary of the Soviet Embassy in Ottawa), with which we deal below.

A. . . . Then there was another case when two members of the Commercial Counsellor's Office went to the Canadian Patent Office and asked for information about the secret invention of radar. They spoke bad English and the Canadian authorities thought that they were German agents and called the police. They were held and they were checked up and then released.

Q. Who went to the Canadian Patent Office?

A. Two employees of the Commercial Counsellor's office.

Q. What purpose did they go there for?

A. They asked about the invention of radar, and because what they asked for was secret they were under suspicion. They were arrested but were released immediately. Of course this was mentioned to Sokolov and Sokolov immediately told it to Zaborin. Zaborin became very angry and he wrote a big telegram to Moscow. He said that the Neighbour should not work with such



hooligan methods. He described what had happened and he said that these were *Neighbour's* people, Pavlov's people. It was Matrenichev and Zhukov.

Q. I see that Matrenichev is mentioned on Exhibit 15, but I do not see Zhukov.

A. I do not think I mentioned Zhukov.

Q. You mentioned him but he is not on Exhibit 15.

A. No, because this is the Commercial Attaché's office, and there are fifty or more people. I could not mention all of them. I just mentioned several of them. They said that such careless work would attract the attention of Canadian authorities to the Military Attaché, but they would not suspect Pavlov or anybody else. So he suggested that Pavlov must stop using such methods. He called them hooligan methods.

Then followed an exchange of telegrams between Zabotin and *The Director* in Moscow, from which Zabotin understood that there was in operation in Canada a parallel network to his own, but which like his own was directed by the Military Intelligence Headquarters in Moscow.

There had been several previous instances of friction between the parallel systems and particularly between Pavlov's network and Col. Zabotin's. Gonzenko said that such cases of friction—often arising through efforts to "develop" the same agent—were not uncommon in other countries also, as he had learned during his year at Red Army Intelligence Headquarters in Moscow.

One result of the irritation evidenced by Zabotin toward Pavlov, in his telegrams on the incident outlined above, was the receipt of simultaneous instructions by Zabotin and Pavlov from Military Intelligence Headquarters and N.K.V.D. Headquarters, respectively, that all disputes must be settled, and that there should be no more quarrelling between the various systems operating in Canada.

### **The N.K.V.D. System**

There can be little doubt that the N.K.V.D., previously called the O.G.P.U., and which is the secret political police of the Soviet Union, have a powerful organization in Canada. In the documents exchanged between Zabotin and *The Director* of the Military Intelligence Service in Moscow, which have been produced before us, the N.K.V.D. is mentioned by its cover-name *The Neighbour*.



In a telegram sent by Colonel Zabolin, whose cover-name was *Grant* to Moscow on the 9th of August, 1945, Colonel Zabolin expresses fears as to the advisability of employing one Norman Veall as an agent to work for him. He says:—

. . . The possibility is not excluded that he may have already tied up with the Neighbour. I consider it necessary to warn the Neighbour. . . .

On the 22nd of the same month *The Director* replied:—

To Grant:

1. Your 213.

*Wign*

We have here no compromising data against Veal, nevertheless the fact that he has in his hands a letter of recommendation from a corporant who was arrested in England (which he did not take care to destroy) compels us to refuse to have any contact with him whatsoever, the more so that many already call him a "Red".

To the neighbour he must surely be known; if not, inform him of the break in my instructions.

Warn Alek that he should have no conversations whatever with him about our work.

*Corporant* is the cover-name used to refer to a member of any Communist Party outside the Soviet Union. *Alek* is Professor May

On another exhibit we find the following note:—

**Fred—director of corporation. Previously worked at the Neighbours, up to 1924.**

*Fred* is Fred Rose. *The Corporation* is a cover name used to refer to any Communist Party outside the Soviet Union.

In another telegram sent by Colonel Zabolin to Moscow we find with reference to an agent:—

**I think it is better to get rid of him, or to give him to the Neighbour.**

To this telegram *The Director* replied that it would be preferable to wait, as this agent might prove to be useful to Zabolin's network. But later Zabolin was instructed to discuss the question of transfer with *The Neighbours*.

In this work in Ottawa Zabolin was using both Sam Carr and Fred Rose for his "military" espionage network. Pavlov sought to approach Sam Carr for his N.K.V.D. network, but Moscow said "Don't touch Sam Carr."

When Moscow asked Zabolin if he knew a certain "Norman" he answered that he did not. Then Motinov and Zabolin thought they had identified him, they asked Pavlov about the man they had in mind, and Pavlov said - "Don't touch Norman we work with him." Zabolin then telegraphed Moscow - "The Norman about whom you ask, we think is Norman Fred [Norman Fred] and 'neighbours' are busy with him". Moscow did not answer this telegram.

While Gouzenko's evidence and the documents establish the existence of the N.K.V.D. organization in Canada, we have been unable to ascertain the extent of its infiltration and the identity of its Canadian or other agents. We have, however, sufficient evidence to show that the N.K.V.D. system is parallel to, but entirely independent of and quite distinct from the military espionage network. Gouzenko stated in his evidence that the N.K.V.D. network was more extensive than that of Colonel Zabolin, that it had been operating much longer in Canada, and that it had several agents among members of the staff of the Soviet Embassy in Ottawa, and was headed by Pavlov.

Gouzenko was asked to explain what the name N.K.V.D. stands for.

Q What is the N.K.V.D.?

A That is the Department of Internal Affairs, previous it was called the O.G.P.U., but now it is the N.K.V.D.

Q Is it the Department of Internal Affairs or a branch?

A No, it is all the Department of Internal Affairs. Their business is in every office, in every plant, in every regiment in the Red Army, in every office of the Red Army, in every civilian school. The representatives of the N.K.V.D. have what they call a secret cabinet.

Q Is it a secret police?

A Yes, it is a police.

A Each institution, school, plant, industrial plant, the Red Army and even the branches of the government, all have an official representative of the N.K.V.D. in the organization. He has a special room set apart, a secret room, where he does his business. And then he has his secret agents moving around amongst the workers, amongst the students, the school students, the school children, and



amongst the employees of the various institutions in government and civil life.

While one of the functions of the N K V D unit in Ottawa was apparently to keep tab on the Russian members of the Embassy staffs and to report on them to the N K V D headquarters in Moscow, as already stated they also operated an under cover network of Canadian agents. Its functions included checking and reporting to the Russians on members of the Communist Party of Canada, as well as espionage. Gouzenko said —

A When I was working in Moscow as a cipher clerk at that time, that is the first time I saw this expression *Neighbour*. I worked there about a year and from the telegrams I saw and from conversations I understood that that was the cover name for another system, a parallel system, an independent system. The N K V D system is under the Minister of Internal Affairs — there is no Commissar now. This system exists as a parallel. When I arrived in Canada, some days later, I understood that Pavlov is the head of N K V D, the Second Secretary, he is the head of the N K V D.

Q Was there any N K V D organization in Canada prior to the first Russian Minister coming here?

A From the correspondence which I read, I understand there was

Q From the telegrams which passed back and forth?

A And the documents.

Q You could see that there was an N.K.V.D. system?

A Yes.

Q If Colonel Zabolotin decided to use an agent he would report on that agent to *The Director* at Moscow, would he not?

A That is right.

Q He would send photographs and biographical details and that kind of thing?

A He can use him only with the permission of Moscow.

Q When *The Director* at Moscow got that information he evidently had some means of making an independent check?

A That is right.

Q Did he use the N K V D. for that?

A He used that, and they used the Comintern also. Take the case of Norman Veall. Several times he tried to introduce himself to Sam Carr and some other people and said that he wanted to work, that he could get some information. They became a little

suspicious about him, especially when they learned that he was in possession of a testimonial from a Communist in Great Britain who had been accused of espionage and had spent several years in jail. They became a little suspicious because he insisted that he be allowed to work. They telegraphed to Moscow and Moscow said, "All right, we will check it." Colonel Zabolin wrote a telegram, "Please check on Veal through the Comintern". They have files on all Communists, files in the Comintern. They can check anybody through the Comintern. Finally Moscow said, "Yes, we know Veal, we do not find any compromising material against Veal." They can check up carefully. The N.K.V.D. can use Military Intelligence or they can use Comintern Intelligence.

Q Supposing Colonel Zabolin decided he could use \_\_\_\_\_; would he have to report to Moscow that he wanted to use him?

A That is right.

Q And then Moscow would check him through the Comintern?

A That is right.

Q Or through the N.K.V.D.?

A That is right.

Q If a man was a member of the Canadian Communist Party it would not mean that they would use him without checking on him?

A They must have that from Moscow. In Moscow they would go through all this information and they would decide whether they could use \_\_\_\_\_ or somebody else.

Q Every agent, whether he is a member of the Communist Party or not, has to be checked through Moscow before he can be used. is that right?

A He must be checked.

The documents dealing with the agent Germana (Hermana) Rabinowitch upon whom we are reporting in Section VI, also contain references to the N.K.V.D. system and corroborate Gouzenko's identification of Pavlov as the leading member of this network in Canada. Gouzenko stated

A Then there was a question about Hermana Rabinowitch. Of course, these agents did not know about the existence of the two systems. They worked for Russia. Miss Rabinowitch sent several letters to the Embassy, and of course those letters came to Pavlov. He was the first man to see her and he was thinking that there was another chance to get an agent. Then Pavlov tried to put her in



his system because the more agents they have the more praise from Moscow. So he was anxious to have this agent.

Q Motinov was?

A. No, Pavlov. However, it was clear that she belonged to the Military Intelligence system, so he had to give her to Zabolin.

An entry in one of the Russian notebooks speaks of a visit in 1943 of Hornina to Tsankin, at that time Counsellor of the Soviet Embassy in Ottawa, reporting on the situation of a number of Soviet agents, mostly designated by cover-names, who were operating outside of Canada. The sum of \$6,700.00 was requested for them. The notebook entry continues

. . . After this Pavlov, 2nd secr. neighbour, asked his boss, who, according to Pavlov, allegedly replied that this is their man and you (Pavlov) should do nothing. . . .

The document goes on to outline recriminatory discussions between one of Zabolin's Russian assistants and Pavlov.

Gouzenko also said:—

Q So the N K V D system started at least as early as 1924, has been operating continuously here, and is operating at the present time apart from Zabolin?

A. Yes.

Q And you think the N K V D system is much larger than Zabolin's?

A. Yes.

Q. And both are working actually?

A. Yes.

This evidence given by Gouzenko and corroborated by the exchange of telegrams between Zabolin and Moscow, establishes, we think, that the N K V D has been operating here, but it is quite impossible to say whether or not its activities have come to an end.

### Naval Intelligence System

There is some evidence that a Naval System of Intelligence was in process of being organized. In 1944, Captain First Rank Pantzerney, who had been working in New York with the Soviet Commercial Counsellor as naval engineer, came to Ottawa. He exchanged information with Zabolin. Pantzerney had obtained certain information about the construction of ships in the Halifax Shipyards which he passed on to Zabolin, telling him he had obtained it in course of conversations with naval officers and en-

gineers at the Shipyards. This was evidently information of the kind *Sorensen* was reported to be giving, and with which we deal later (Section IV-2).

Two men, who were Russian naval officers, working in a commercial organization in Vancouver, came to Ottawa, and had a conference with *Zabotin* and *Motinov*, at which the latter showed them a two hundred page report on the naval forces of Canada. As *Gouzenko* said:—

"Also, commercial representatives are interested in naval forces, not from the point of view of commerce but from the point of view of intelligence work . . ."

*Goussiev*, a doorman at the Soviet Embassy, made a trip to Vancouver and on his return reported he had had a conversation with a man who was doing naval intelligence work and *Goussiev* was quite critical of the man's work and capacity.

In 1943, the Canadian Government gave permission to establish a Soviet Consulate at Halifax. This is still in existence. At Vancouver there has never been a Soviet Consulate but when Canadian Material Aid shipments to Russia began to flow in some volume out of Vancouver, *[Krotov]* the Commercial Counselor, asked and obtained permission from the Canadian Government to send a shipping officer there to see to the loading, victualing, and so on of the vessels. The staff at Vancouver consisted of two men with a small clerical staff. *Gouzenko* says that the junior Soviet Consul at Halifax had been a worker in the Military Intelligence System. This man made a trip from Halifax in 1943 to discuss questions with *Zabotin*.

at 159,051

159,051

### The "Political" System

*Gouzenko* stated that the head of the secret Political System in the Embassy was *Goussarov*, who holds the official position of Second Secretary in the Embassy. *Gouzenko* added that *Goussarov* had been an assistant to *[Milenkov]* Head of the Foreign Section of the Central Committee of the Communist Party of the Soviet Union in Moscow, and that he (*Gouzenko*) had seen *Goussarov* working in the Central Committee Offices in 1942. *Goussarov* came to Canada as a Second Secretary in 1944. *Gouzenko* stated with regard to *Goussarov*:—

Section 4

"Officially he was supposed to be working in the Textile Institute, as I read in a Canadian magazine. Then he came to Canada. *Goussarov* is only the Second Secretary but obviously his authority is on the level of the ambassador. He has direct contact with the



Central Committee of the Communist Party. He is a Party organizer in the Embassy, of the Central Committee of the Communist Party.

Then there was Patonya, the doorman. Officially he is the doorman in the embassy, one of the doormen. To my surprise when I went back one night I found that he was working in my room. I went back about one o'clock because Colonel Zabolin told me he had a telegram to send. I saw Patonya working in my room. Nobody in the Embassy knew he was working in the secret division. I always saw him at night. I never saw him working in the day, when I was either sleeping or working. Together with him I saw Goussarov.

Gouzenko stated that Goussarov was head of the group made up of members of the Communist Party at the Soviet Embassy in Ottawa, that this group had a *secret name* *Trade Union* and that Goussarov in conjunction with, but independently of, Pavlov was responsible for supervising the political orthodoxy of members of the Embassy.

Gouzenko testified that he had reason to believe that in addition to this, Goussarov had the task of transmitting political directives from his superiors in Moscow to the leaders of the Canadian Communist movement. These directives would include not only general political lines to be taken up in Communist propaganda, but also instructions on techniques of operation. Examples of the latter would be the instructions to create or to get control of functional organizations such as the "Canadian Association of Scientific Workers", to occupy important positions in labour unions, when necessary for special purposes, to instruct certain Canadian secret Communists to take up temporarily an anti Communist line, to get members into controlling positions in the executives of youth movements, international friendship councils, etc., which could be important from a propaganda point of view.

This system would also, according to Gouzenko, handle what he called the "Comintern Intelligence System". This apparently deals not with espionage but with obtaining and transmitting to Moscow biographical and other material on Canadian Communists and Communist sympathizers. These "dossiers" could then be used to check the information obtained through other networks regarding agents whom it was proposed to employ in one of the systems engaged in espionage or other special activities.

We must report that we have no corroboration in any of the Russian documents placed before us, for this part of Gouzenko's testimony regard-

ing the transmission of political directives. It must at the same time be borne in mind that from the nature of this system as described by Gouzenko, no such collaboration could in the nature of things be expected from documents prepared by the military espionage agents. We are therefore reporting Gouzenko's testimony on these matters only as his informed opinion, based on his experiences as a member of one of the "secret sections" of the Soviet Embassy.

At first sight we would find it difficult to credit that the leaders of any Canadian political party would take instructions, regarding the political activities which they directed, from agents of any foreign power. However, it would be still more difficult for us to believe that men such as Sam Carr and Fred Rose, who have been shown to have acted for many years as key members of an espionage network headed by agents of a foreign power and directed against Canada, would not also be prepared to accept, from agents of that same foreign power, political instructions regarding the organization which they directed. We would be less than frank, therefore, if we did not report this opinion.

Gouzenko, in a statement which he wrote on October 10, 1945, summarizing what he had said to Canadian police officials on September 7th, said the following:—

To many Soviet people abroad it is clear that the Communist Party in democratic countries has changed long ago from a political party into an agency net of the Soviet Government, into a fifth column in these countries to meet a war, into an instrument in the hands of the Soviet Government for creating unrest, provocations, etc., etc. . . .

The attitude of members of the Soviet Embassy staff toward "developed" members of the Canadian Communist Party is well summed up in the Russian word "*NASH*", occasionally used as a sentence by itself with reference to members of that Party in Colonel Zaborin's notebooks. "*NASH*", literally translated, means "OURS" or "HE IS OURS."



## SECTION II. 3

## INTERNATIONAL LINKS OF ZABOTINS' NETWORK

It is not within our province to investigate spying activities in other countries, but some of the activities carried on in Canada were so linked with what happened elsewhere that we feel bound to mention them in this Report.

In general, the military espionage network in Canada, headed by Colonel Zabolin, was a self contained unit directed from Moscow. At times, however, the documents from Colonel Zabolin's secret archives refer specifically to espionage networks in other countries. Some of these documents relate to the "handing over" from one espionage network to another of agents who have moved or are about to move to Canada from another country or from Canada to another country.

Thus in the summer of 1945, it became known that Dr. Alan Nunn May would be likely to leave Canada shortly for work in the United Kingdom. This gave rise to a series of telegrams between Moscow and the Soviet Military Attache in Ottawa, of which Gouzenko brought three.

*The Director* in Moscow wired Zabolin in Ottawa on the 30th of July, 1945, as follows:—

No. 10458

To Grant

30.7.45

Reference No. 218.

Work out and telegraph arrangements for the meeting and the password of Alek with our man in London. Try to get from him before departure detailed information on the progress of the work on uranium. Discuss with him: does he think it expedient for our undertaking to stay on the spot; will he be able to do that or is it more useful for him and necessary to depart for London? ~~Is it better to stay?~~

Director. 28.7.45

Grant

31.7.45

Zabolin wired *The Director* early in August on this matter:—

214

To the Director,

We have worked out the conditions of a meeting with Alek in London. Alek will work in King's College, Strand. It will be possible to find him there through the telephone book.

\* Faint type indicates words crossed out in original documents.

Meetings: October 7.17.27 on the street in front of the British Museum. The time, 11 o'clock in the evening. Identification sign:—A newspaper under the left arm. Password:—Best regards from Mikel (Maikl). He cannot remain in Canada. At the beginning of September he must fly to London. Before his departure he will go to the Uranium Plant in the Petawawa district where he will be for about two weeks. He promised, if possible, to meet us before his departure. He said that he must come next year for a month to Canada. We handed over 500 dollars to him.

Grant.

This arrangement did not wholly meet with *The Director's* approval, and on 22nd August we find his reply:—

11955  
22.8.45

To Grant

Reference No. 244.

The arrangements worked out for the meeting are not satisfactory. I am informing you of new ones.

1. Place:

In front of the British Museum in London, on Great Russell Street, at the opposite side of the street, about Museum Street, from the side of Tottenham Court Road repeat Tottenham Court Road, Alek walks from Tottenham Court Road, the contact man from the opposite side—Southampton Row.

2. Time:

As indicated by you, however, it would be more expedient to carry out the meeting at 20 o'clock, if it should be convenient to Alek, as at 23 o'clock it is too dark. As for the time, agree about it with Alec and communicate the decision to me. In case the meeting should not take place in October, the time and day will be repeated in the following months.

3. Identification signs:

Alek will have under his left arm the newspaper "Times", the contact man will have in his left hand the magazine "Picture Post".



4. The Password:

The contact man: "What is the shortest way to the Strand?"

Alek: "Well, come along. I am going that way."

In the beginning of the business conversation says: "Best regards from Mikel".

Report on transmitting the conditions to Alek.

18.8

Director.

22.8.45

Grant.

A section in the Russian dossier on Sam Carr contains, in the handwriting of Lieut Colonel Rogov, the following paragraphs, among a list of tasks prepared for him by his Russian masters, and headed "TASK No. 2 of 15.6.45":—

TASK NO. 2 of "15.6.45"

FRANK: 1.

On the ground of data previously communicated with respect to A. N. Veale (an Englishman), it is known to us that up to 1942 he worked in the meteorological service of the Royal Air Force in Cambridge. Following this he went to Canada on a scientific mission. Before leaving Veale ~~received~~ allegedly received instructions from his director to get in touch with your corporation.

At present he would like to know more details about Veale and therefore it is desired that for the forthcoming meeting (15.7.45) you should in written form enlighten us on the following questions:

(a) Did Veale really work in the meteorological service of the Royal Air Force in Cambridge and has his mission (stay) in Canada a direct connection with his service in England.

(b) If these facts are confirmed, you should try to draw ~~him~~ Veale into a frank discussion and ~~put~~ put the question straight to him, what he wants from you.

\* Faint type indicates word crossed out in original documents.

- (c) However, should Veale in the course of the conversation refer to his corporation membership and to the instructions of his director in England to get connected with the Canadian Corporation, then let him give the name of the person who gave him these instructions.
- (d) Do not take from Veale any material and do not show any interest in any information whatever.

Another example of this is arranged in Moscow between the networks in Canada and the United Kingdom is provided by a part of a document in the handwriting of Lieut. Colonel Motinov, apparently a draft of a telegram which was subsequently authorized by Colonel Zabolotni, ciphered by Gouzenko, and sent to Moscow:—

To the Director, on N.

I am communicating to you the arrangements for Berman's meeting in London. The meeting will take place two weeks after Berman's departure from Montreal, counting the first Sunday after his departure as the date of his departure, even if he should have left on a Wednesday. The meeting will take place at 15 o'clock on Sunday, in front of the office of the High Commissioner for Canada, London, S.W.1. (Canada House, Trafalgar Sq.). If on the first Sunday it does not take place, it will be transferred to the next Sunday at the same hour and so on until contact is established. Berman will be in civilian clothes—brown suit (tweed) checkered, without a hat, with a newspaper in his right hand.

Pass-word: "How's Elsie?"

Berman will reply: "She's fine."

Thereupon our man will hand over to him a letter signed "Frank".

If the meeting at the designated place should prove impossible, or inconvenient for us, Berman will send his address to his wife, the latter will give it to Debouz, and the latter to us and it may be possible to undertake the meeting at the address of his living



quarters. When you will advise us that the meeting will be more convenient at the apartment, then we will tell Debouz and he will tell Berman's wife. Berman's wife will write him a letter with the following sentence. "Ben has not been feeling too well". After that he will await the meeting at his apartment.

**Supplementary data.**

He joined the Party in 1938. Had a bus. \*  
Worked as an insurance agent. His wife joined the Party in 1939. During the illegal period he worked in the central apparatus of the Party on organizational work.

These instances of liaison, or transfers, between the Soviet networks in Canada and in other countries were not limited to Great Britain. An example of a similar contact in the United States is provided in a page torn from one of Lieut. Colonel Motinov's secret notebooks:—

7730 242  
To Debouz  
[Stenberg — "Berger"] 4133

Debouz is to tie up with Berger and depending on the circumstances is to make a proposal about work for us or for the corporation. Contact in Washington with Debouz's person. To work out arrangements for a meeting and to telegraph. To give out 600 dollars. If Debouz should be unable to go to U.S.A. then there should be a letter from Debouz to Berger containing a request to assist the person delivering the letter to Berger.

12 5 15 22 00 St. Patrick & Cumberland.

Other documents deal in considerable detail with relations between Colonel Zabol's organization, Pavlov's (N.K.V.D.) organization, and a network of secret agents operating on the continent of Europe. They show *inter alia* that on one occasion in 1944, \$10,000 was transferred, with the assistance of a secret agent in Canada, through the intermediaryship of a commercial firm in New York, to this European network, on the instructions of Colonel Zabol. This matter is dealt with in Section VI and mentioned above in our discussion of N.K.V.D.

\* Faint type indicates words crossed out in original documents.

## SECTION II. 4

### THE COMINTERN

Gouzenko stated before us that the Communist International, or "Comintern", whose dissolution had been announced in Moscow to the world press on May 15th and June 10th, 1943, continued to exist and to function secretly.

In his statement of October 10th, 1945, Gouzenko said:—

The announcement of the dissolution of the Comintern was probably the greatest farce of the Communists in recent years. Only the name was liquidated, with the object of reassuring public opinion in the democratic countries. Actually the Comintern exists and continues its work. . . .

The documents which Gouzenko brought with him corroborate this testimony.

The Registration Card at the beginning of the 1945 dossier kept in the Soviet Embassy on Sam Carr, National Organizer of the Communist (Labour Progressive) Party of Canada, contains after the mimeographed heading *Biographical Data* the following typed entry in Russian:—

Detailed biographical information is available in the Centre in the Comintern.

The evidence shows that this document referring in the present tense to the Comintern, was prepared by Lt Col Rogov early in 1945.

Gouzenko defined the Comintern as follows:—

"The Communist International, the Comintern, is the staff headquarters which directs the activities of the Communist parties all over the world."

Gouzenko was questioned further about the above entry in Carr's dossier:—

Q. I just want to come back to that last subject for a moment, to make it perfectly clear to myself. I am looking at Exhibit 19, the first sheet, which is headed "Registration card" dealing with Sam Carr. The last two lines read, "Detailed biographical information". Apparently that is the form before it was filed in, after that it says, "the Comintern knows Russian perfectly. Finished the Lenin School in Moscow." If the Comintern means the staff in Moscow which runs the Communist Party, as I understand it, in



Russia and abroad, does that reference on Carr's registration card mean that he is a member of that staff?

A. No.

Q. All right; then what is the explanation?

A. On every Communist there is a file at the Comintern at Moscow, for every Communist in the whole world there is a file at the Comintern at Moscow. More detailed information is on the files at the Comintern.

Q. So this reference on the registration card means that if anybody is looking at this registration card and wants more information on Carr than it contains, there is more information on file at Moscow?

A. That is right.

Q. And am I correct in understanding that the word "Comintern" is also used in Russia to refer to the secretariat in Moscow of the foreign Communist Parties? Is that correct?

A. No. The Comintern or Communist International is like a headquarters that directs the activities of the Communist Parties in the whole world.

Q. That is approximately what I said; a headquarters staff?

A. Yes.

Q. This first sheet in Exhibit 19-A was not typed out until early in 1945, but it contains a reference to the Comintern, does it not?

A. Yes.

Q. The Comintern was supposed to have been abolished before 1945?

A. Supposed to be abolished in 1943, but it is not so.

Q. It is not abolished?

A. That is right.

Q. In 1945 Rogov typed or had typed the statement that they had Comintern records still available to refer to?

A. He knew very well the Comintern existed in Moscow.

Q. Rogov knew the Comintern had not been abolished and that all the records were complete there?

A. That is right.

Q. It would have been possible—I am not saying it is so—for the Comintern to have been abolished as an organization and all the records still kept?

A. That is right, and all the personnel is still kept in Moscow, it is just the name that is abolished.

Gouzenko, in his evidence on the Comintern, spoke generally of it as a headquarters staff controlling the activities of Communist Parties in other countries in various aspects, including political aspects. His detailed evidence dealt however with the role of the Comintern specifically in espionage activities, since it was in one of the espionage branches that Gouzenko himself had direct personal experience.

Prior to coming to Canada in the summer of 1943 Gouzenko, as we have already pointed out, had worked for a little over a year in the "Centre" of *The Director* in Moscow of the Military Intelligence organization. He testified that he had there enciphered and deciphered telegrams to and from many other countries disclosing the use of local Communist Parties for espionage purposes, in networks similar in general outline to that which Col. Zaborin later headed in Canada.

An aspect of Comintern activities is illustrated by the "Witezak passport" case. It has been established that Sam Carr, National Organizer of the "Labour Progressive Party", acting on instructions from Moscow delivered through Col. Zaborin and his assistants, undertook in 1944 to obtain illegally a Canadian passport for a Soviet agent located in California, and at the end of August 1945 did in fact obtain this passport by forgery and bribery. It was needed to replace a Canadian passport, about to expire, under which the Soviet agent had been living in the United States since 1938. The earlier passport had been appropriated by Russian agents from a Canadian member of the International Brigade in Spain during the Civil War there, and the Soviet agent in California had been living in the United States under the name and with the passport of this Canadian. This matter is reported more fully in Section V.

There is evidence that *The Director* in Moscow intended to develop further, and extensively, this practice of planting agents, under cover of false documentation, not only in other countries as pseudo-Canadians, but in Canada also. For this purpose too the assistance of Sam Carr was enlisted.

Thus one of the pages in the Russian dossier on Sam Carr contains the following list of assignments, headed "Task No. 3 of 1845"—



1. Requirements which a person living as an "illegal" must meet (nationality, citizenship, occupation, education, knowledge of languages, family and financial conditions etc.)
2. Ways of legalisation (organization of a commercial undertaking, joining a business firm as a partner, kind of firm, joining as a member any office, joining the army as a volunteer, accepting employment.)
3. Documents which an "illegal" must possess (passport, different kinds of certificates, references, recommendation letters, etc.)
4. More expedient methods to slip into the country.
5. To provide for secure living quarters and financial means during the period when the "illegal" gets acquainted with the local set-up and conditions
6. To reveal the channels of influence of the English government on the foreign policy of Canada.
7. Conditions of entry into the country and of moving about in the country.
8. Conditions of adaptation and living in the country.
9. Methods of work of the counter-espionage. The organization of the Federal and provincial counter-espionage services.

Colonel Zaborin and his colleagues obviously attached importance to this, and the following page in the dossier, headed "*Assigned personality 16.8.45*", reads in part:—

#### The Task

1. To write a report on the technique of making up passports and other documents, indicating precisely who on your side (Frank's) is engaged in this activity.
2. What documents can be made and can be received through you.

There is also evidence suggesting that other false Canadian passports had been obtained previously to the Waczak passport. A Colonel Milstein, who came to North America in the summer of 1944, under guise of a diplomatic courier with a Soviet passport in the name "Milsky", to inspect the agency networks in Mexico, the United States, and Canada,

\* Faint type indicates words crossed out in original documents

was particularly interested in reviving the use of persons in Canada who had assisted in production of illegal passports some time previously. He discussed this subject at length with Sam Carr, and according to Gouzenko he reported to Moscow that the possibilities in this field were great.

One of the documents in the dossier on Sam Carr refers to this discussion between Colonel Malstein, whose cover name was *The Commander*, and Carr:—

Sam, 14 Montrose, Lloydbrook 7847.

14.6.44 The Commandor met Sam and agreed on meetings between him and Leon once in 3 months. The regular meeting was fixed for 15.9.44 at 21.00, Dominion Boulevard (opposite Windsor Hotel) in Montreal. On 15 9 44 to discuss:

1. Who prepares passports, i.e. what kind of people are they. Are they not the old shoemakers who a few years ago fell through.
2. To take money to the meeting.

*Shoe* is a cover-name used by the Russian Military Espionage service for passport, and *shoemaker* for a person making or obtaining passports for the service.

The efficient functioning of the Comintern organization is further shown by the highly systematized interest of *The Director* in Moscow in each non-Russian agent, and in the recruiting of new agents. Before a new agent could be employed by Col. Zabolin for espionage purposes he had to propose the name, with particulars to Moscow. Moscow would then check independently, inferentially through one of the other agency systems before approving or withholding approval.



## SECTION II. 5

### RECRUITING METHODS

One of Zabolotn's main objects when he started his operations, was to recruit persons willing to supply secret information. A belief in, or a sympathy with, or a susceptibility to the Communist ideology was a primary requirement in the persons to be recruited. The ingenuity that is shown in the method employed to get prospective agents into the "net" indicates that the system has been thoroughly worked out to cover all eventualities. The way in which persons who were in a position to furnish secret information, or who might be used as contacts, and who had some inherent weakness which might be exploited, were selected and studied, clearly establishes this. The methods of approach varied with the person and with the position.

The first page of each dossier kept by Colonel Zabolotn on his Canadian agents was a mimeographed form headed "*Registration Card*" and has the following divisions:—

1. SURNAME, NAME, PATRONYM \_\_\_\_\_  
\_\_\_\_\_
2. PSEUDONYM \_\_\_\_\_
3. SINCE WHEN IN THE NET \_\_\_\_\_
4. ADDRESS  
 a) OFFICE \_\_\_\_\_  
 b) HOME \_\_\_\_\_
5. PLACE OF WORK AND POSITION \_\_\_\_\_  
\_\_\_\_\_
6. FINANCIAL CONDITIONS \_\_\_\_\_

#### BIOGRAPHICAL DATA

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It was, as indicated, of paramount importance that the ideology of the prospective agents be clearly established and that their natural inclinations be thoroughly investigated, so that the mode of approach and the method of persuasion might be varied accordingly.

### Communist Party—The Main Recruiting Base

It became manifest at an early stage of this Inquiry, and has been overwhelmingly established by the evidence throughout, that the Communist movement was the principal base within which the espionage network was recruited, and that it not only supplied personnel with adequately "developed" motivation, but provided the organizational framework wherein recruiting could be and was carried out safely and efficiently.

In every instance but one, Zabolin's Canadian espionage agents were shown to be members of or sympathisers with the Communist Party. The exception was Emma Workin, who was not, so far as the evidence discloses, of the above class. Her motivation was a sympathy with the Soviet regime based, as she said, on "what I have read".

Because of the emergence of this fact, it was necessary for us to ascertain where each of the persons whose conduct was being investigated stood with regard to Communist ideology and Communist associations.

Zabolin found already in existence in Ottawa, Montreal and Toronto numerous study groups where Communist philosophy and techniques were studied and where writings of Marx, Engels, Lenin and later authors were read and discussed. To outsiders these groups adopted various disguises, such as social gatherings, music-listening groups and groups for discussing international politics and economics. In some at least of these groups dues were collected and the money used for various purposes including assistance to Communist Party leaders, and the purchase of Communist literature.

These study groups were in fact 'cells' and were the recruiting centres for agents, and the medium of development of the necessary frame of mind which was a preliminary condition to eventual service of the Soviet Union in a more practical way.

Occasionally these groups were visited by higher Party officials who kept in close contact with them and obviously reported to Colonel Zabolin as to the ability of 'candidates' to become full-fledged agents.

When it was found that the "candidates" fulfilled all these requirements, they were definitely recruited as "agents" and tasks were then assigned to them.

The technique revealed by the documents is as follows: a senior member of the Canadian Communist Party, such as Sam Carr, the National Organizer of the Party, or Fred Rose, the Quebec Organizer, would propose certain Communists to one of Zabolin's Russian colleagues as potential espionage agents. Col. Zabolin would get details about the "candidate", including his "possibilities" that is, place of work and the kind of informa-



tion to which he had access—and would send this to Moscow. Moscow would then telegraph Zabolin permission or refusal to use this particular "candidate". The evidence is that Moscow would first make an independent check, which according to Gouzenko was done through one of the parallel systems of networks.

Sometimes Moscow would take the initiative in suggesting to Zabolin some Communist in Canada to be contacted and enlisted for espionage work. The evidence is that Moscow made this suggestion on the basis of lists of non-Russian Communists whose names and dossiers, perhaps unknown to themselves, were kept on file in Moscow.

The evidence shows that the espionage recruiting agents made use in their work of reports, including psychological reports, on Canadian Communists which had been prepared as part of the routine of the secret "cell" organization of that Party. Apparently these reports were prepared on various individual Communists by other Communists who had got to know them through joint membership in a study-group. The psychological reports would then be passed up through the pyramid of cells and made available to senior Communists for such purposes as the latter considered necessary. Such reports obviously facilitate selection of Canadian Communists for invitation to engage in espionage activity, and assist the Russians in determining the method of approach. A preliminary feeling out of the selected recruit, before the latter realized the sinister purposes for which he was being considered, could also be made within the framework of normal Communist Party activities and organization, and there is also evidence that this was part of the technique of recruiting.

An entry in one of the Russian notebooks illustrates some of the background carried on with regard to Ned Mazerall (cover-name *Bagley*) before he was approached directly and asked to engage in espionage. Mazerall had apparently been designated to the Russians by Fred Rose, M.P., (*Fred* or *Debout*), and the arrangement was that he should be approached by Captain Gordon Lunan (*Back*). Rose then had a meeting with Lunan, as testified to by Lunan himself, which turned out to be preparatory to the direct enlistment of Lunan in the espionage network by Lt. Col. Rogov (*Jan*). The plan that was conceived—and later carried out as related to us by both Lunan and Mazerall themselves—was that Lunan should then approach Mazerall and enlist him in the espionage network.



A preliminary entry in one of the Russian notebooks reads as follows:—

3. Bagley—so far no contact has been made. The main reasons are that he lives so far from the city and the influence of his wife who does not want him to meet corporators. On Back's proposal for a meeting, he answers that he is busy and is living far away, but at the same time he invites to his house. Back communicated that he will have a meeting with him in the period of 20.5 to 5.6—. He further added that Bagley knows nothing about his immediate work as Debouz Fred talked with him only generally, and recommended that Back should study him in detail and only after that to start working with him. \*  
†

Again, in Lunan's first progress report to Rogov, dated March 18, 1945, he wrote with regard to Mazerall:—

Bagley: I have been unable to see him as yet. He has not been a very regular or enthusiastic supporter for several months although he is now showing more enthusiasm. He lives in the country and his wife is antagonistic to his political participation. He strikes me as being somewhat naive politically, and I shall take things slow with him for a while. I plan to develop his acquaintance as much as possible and gain his confidence by collaborating on some scientific articles. Will report on him next time.

It is significant that this report was written by Lunan, according to the latter's own testimony, before he had met Mazerall, and his diagnosis of him, set out above, had been made from reports. Earlier in the same letter to Rogov, Lunan had stated:—

It should be understood that neither Bacon, Bagley nor Badeau are well known to me, either personally or politically, nor I to them.

Lunan also received a preliminary report from some source within the Communist organization which has not been disclosed, on Professor Halperin (*Bacon*), and wrote as follows in his first letter to Rogov:—

Bacon:—I received an excellent report on Bacon, and approached him more frankly than the others.

The routine organizational framework of the secret sections of the Communist movement also apparently provided a convenient method

\* Faint type indicates words crossed out in original documents.

† Word in heavy type indicates an insertion in the original document.



whereby one secret member could check the "credentials" of another whom he did not know but who approached him with instructions to engage in illegal activities. Thus Lunan, in his first letter to Rogov, stated of Durnford Smith:—

**Progress has been held up somewhat . . . by the caution displayed by Badeau (a good thing probably) in checking independently into my credentials. . . .**

Lower down in the same letter Lunan writes again of the same man:—

**Badeau:—warmed up slowly to my requests and remained non-committal until he had checked independently on my bona fides. Once satisfied he promised to cooperate. . . .**

Lieutenant-Colonel Rogov in his manuscript notes headed "*Results of the last meeting of Back's Group*" writes of him:—

- 4. Back himself has no possibilities. He is being used as a contact.**

*The Director* in Moscow sometimes took the initiative in indicating those Departments or Agencies of the Canadian Government in which he particularly wished espionage agents to be developed from among the Canadian staff; e.g. a telegram from Moscow to Col. Zabotin, states that:—

- 2. We are definitely interested in obtaining people from the departments mentioned. Let Frank, after the staffs have been set up in final form, recommend one or two candidates for our study.**

*Frank* is a cover name for Sam Carr. This pseudonym was given because his earlier cover-name *Sam* was considered dangerously revealing as to his real name. The "departments mentioned" refers to the headquarters of the Canadian armed forces.

A good illustration of the ease with which *The Director* in Moscow was able to obtain espionage agents from the secret membership of the Canadian Communist Party in selected Canadian organizations is provided by the *Research Group* consisting of Halperin, Durnford Smith and Mazerall, under the leadership of Lunan. Two of the three scientists were members of a Communist cell made up of scientists most of whom were employed in the National Research Council in Ottawa. There is no evidence that before the end of March, 1945, any members of this group contemplated espionage against Canada or any other illegal activity—though



they did take pains to keep their political views and the existence of their study-group secret from the associates with whom they worked. Lunan reported of them to Rogov that *before* he approached them for espionage purposes:—

**They already feel the need for maintaining a very high degree of security and taking abnormal precautions at their normal meetings (about once in two weeks), since they are definitely not labelled with any political affiliation. One or two have even opposed the introduction of new members to our group on the grounds that it would endanger their own security.**

But the Soviet Military Intelligence organization desired to have additional spies in Canadian scientific research organizations. The interview between Rose and Lunan, leading up to the meeting between Lunan and Rogov, resulted in the latter giving Lunan instructions to enlist Halperin, Durnford Smith and Mazerall as espionage agents. Whereupon within a few weeks the three Canadian scientists are found engaging actively in the espionage operations.

Thus within a short period of time what had been merely a political discussion group, made up of Canadian scientists as members of a Canadian political party, was transformed on instructions from Moscow into an active espionage organization working against Canada on behalf of a foreign power. It is particularly startling that none of the initiative for this transformation was supplied by the three scientists themselves.

### **Constant Emphasis on Further Recruiting**

The emphasis laid on recruiting appears throughout the documents: in addition to those already quoted reference should be made to the following extracts:—

**Squadron Leader Mat Nightingale . . .**

**. . . Task 1. Recruiting.**

**2. . . .**

**ALEK. 1. . . .**

**2. Characteristic of the work of the laboratories and of the people. Friend Henry**

**\_\_\_\_\_.**

**. . .**

**6. How about his friend, \_\_\_\_\_, possibilities and proposal of development. . . .**